GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5778
ANSWERED ON:03.05.2002
REDUCTION OF GOVERNMENT EXPENDITURE
BIR SING MAHATO;GADDAM GANGA REDDY

Will the Minister of FINANCE be pleased to state:

(a) whether in a bid to contain expenditure the Government has decided to ask all Governments and Ministries to submit quarterly expenditure reports detailing all expenses and pointing out deviation from planned expenditure schedule;

(b) if so, the details thereof; and

(c) the other steps taken to reduce the Government expenditure ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) & (b) Ministry of Finance has prescribed a proforma for quarterly projection of Plan and Non-Plan expenditure for all Central Government Ministries/Departments for the purpose of monitoring the progress of expenditure.

(c) It is Government`s constant endeavour to contain non-plan, non-developmental expenditure. It is in this context that, alongwith other measures, instructions to avoid wasteful expenditure are issued from time to time to all the Ministries/Departments. These measures include ban on the creation of posts, reduction in the number of sanctioned posts, restrictions on the filling up of vacant posts, reduction in office expenses, restrictions on purchase of vehicles, restrictions on foreign travel and on entertainment/hospitality expenses etc.

For review of the whole gamut of expenditure of Government, an Expenditure Reforms Commission was also set up to suggest a road map of reducing the functions, activities and administrative structure of the Government, review the adequacy of the staff strength under Central Ministries/Departments etc. and suggest measures for rationalising the staff and cadres of different services, review the procedure of setting up of autonomous bodies and pattern of funding and suggest measures for effecting improvement and reducing budgetary support. The recommendations of Expenditure Reforms Commission was sent to the concerned Ministries/Departments for implementation.